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New high-tech firms would benefit under Sen. Kuipers' proposal

LANSING – New high-technology firms would see a disincentive to growth and investment removed under legislation sponsored by Sen. Wayne Kuipers, R-Holland, that passed the Michigan Senate today. Kuipers worked with Craig Hall, a constituent from Holland, in drafting the legislation.

Small technology companies would be exempted from fees based on the number of stock shares they authorized. Under existing laws, start-ups are hit with high fees — \$35,000 on 30 million authorized shares — at a time when few of the companies have cash. That disincentive encourages companies to locate in another state.

“Michigan has to retool its economy and my proposal encourages small high-tech firms to grow here,” Kuipers said. “While manufacturing will remain vital to a healthy economy, we have to find ways to seek out new areas of economic growth so Michigan workers can find the jobs they deserve.”

Hall is a founder of Grand Angels, a venture capital firm, and LeanLogistics Inc., a logistics company in Holland.

Kuipers' legislation, Senate Bill 298, now moves to the House of Representatives for consideration.

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